



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 6, 2000

TO: Minerals File

FROM: Tom Munson, Senior Reclamation Specialist 

RE: Site Inspection, Mining Company, Project, S/025/007, Kane County, Utah

Date of Inspection: June 13 and 14, 2000
Time of Inspection: 2:00 p.m. - 4:20 p.m. and 10:30 a.m.
Conditions: Hot
Participants: Mike Caruso and Loy Crapo, Operators; Doug Powell, BLM; Will Stokes, SITLA; Tom Munson, DOGM

Purpose of Inspection: To determine the total amount of disturbance on three state leases and who is responsible for mining and reclamation at each lease

Trail Canyon - ML 27618

Upon discussions with the operators Mike Caruso and Loy Crapo, it has been determined that the Division will create two permits: one for Mike Caruso and one for Loy Crapo. We will include Trail Canyon ML 27618 and State Lease ML 26996 on both. We will GPS the entire area, divide it in half and give half to Mike and half to Loy, all reclamation responsibility will be split 50-50.

Mineral Lease 27618 - Trail Canyon, which is now permitted under Marie Caruso's name, will need to be transferred to Loy and Mike.

The GPS file number is R061319B determined the acreage is 5.074 acres. Therefore each party will get 2.5 acres. Mike and Loy have both initiated small digs on this shared lease. Mike's is smaller than Loy's on the shallow overburden south end of this lease. The mining success is poor in this area due to the quality of the rock they have encountered. They will continue digging elsewhere.

ML 26996

This lease will also be split between Mike Caruso and Loy Crapo 50 - 50. There has been no reclamation done here. The area is divided into two areas and a GPS reading taken under GPS file R061322A. The first area is 1.234 acres and the second area is 1.035 acres. The total disturbance between the two areas is 2.269 acres.

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It should be noted that these two disturbances are also equally contributed to Loy Crapo and Mike Caruso. Although according to Mike Caruso, Loy Crapo is responsible for most of the disturbance (Loy's disturbance 1.645 vs Mike's disturbance .615). That will have to be worked out between the two parties. The Division holds each party 50 - 50 responsible for reclamation.

Please note that Loy Crapo disturbed an area on federal lands of approximately 1 acre that has been reclaimed. Mike did not perform any work on this federal land. That reclaimed area was not GPS'd.

ML 41354

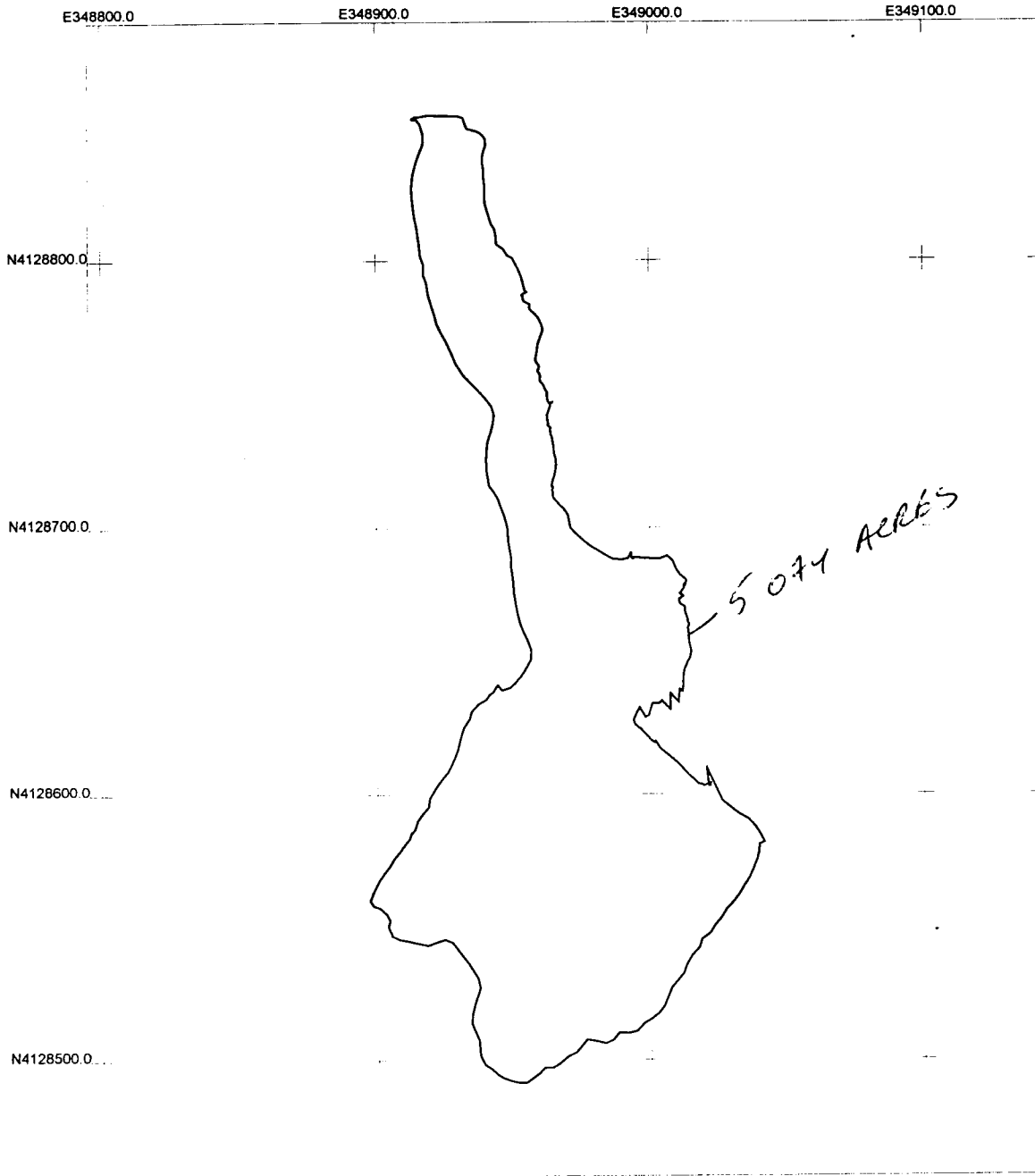
On June 14th, we continued our inspection of the Caruso leases. We arrived at this lease area at approximately 10:30 a.m. Will Stokes and myself were the only ones present, Mike and Loy did not accompany us to this site.

This lease area is located about 1 to 1 ½ miles from the other two leases previously inspected. This is a separate isolated lease. This area consists of a different formation and different type of nodule, being a little more solid than that found at the other two lease areas. Part of this area was historically disturbed and has naturally revegetated itself. Some areas have been newly disturbed.

We took a GPS reading under GPS file number R061416A. The historic mining area that has reclaimed itself was not included in the GPS reading. The disturbed area is determined to be .45 acres.

This lease area will be solely the responsibility of Mike Caruso. Loy Crapo did not do any work at this site.

jb
cc: Marie Caruso, current owner
Mike Caruso, operator
Loy Crapo, operator
Will Stokes, SITLA
S25-07-ins



trail cyn

Universal Transverse Mercator
12 North
NAD 1927 (Western US)

N

Scale 1:2500

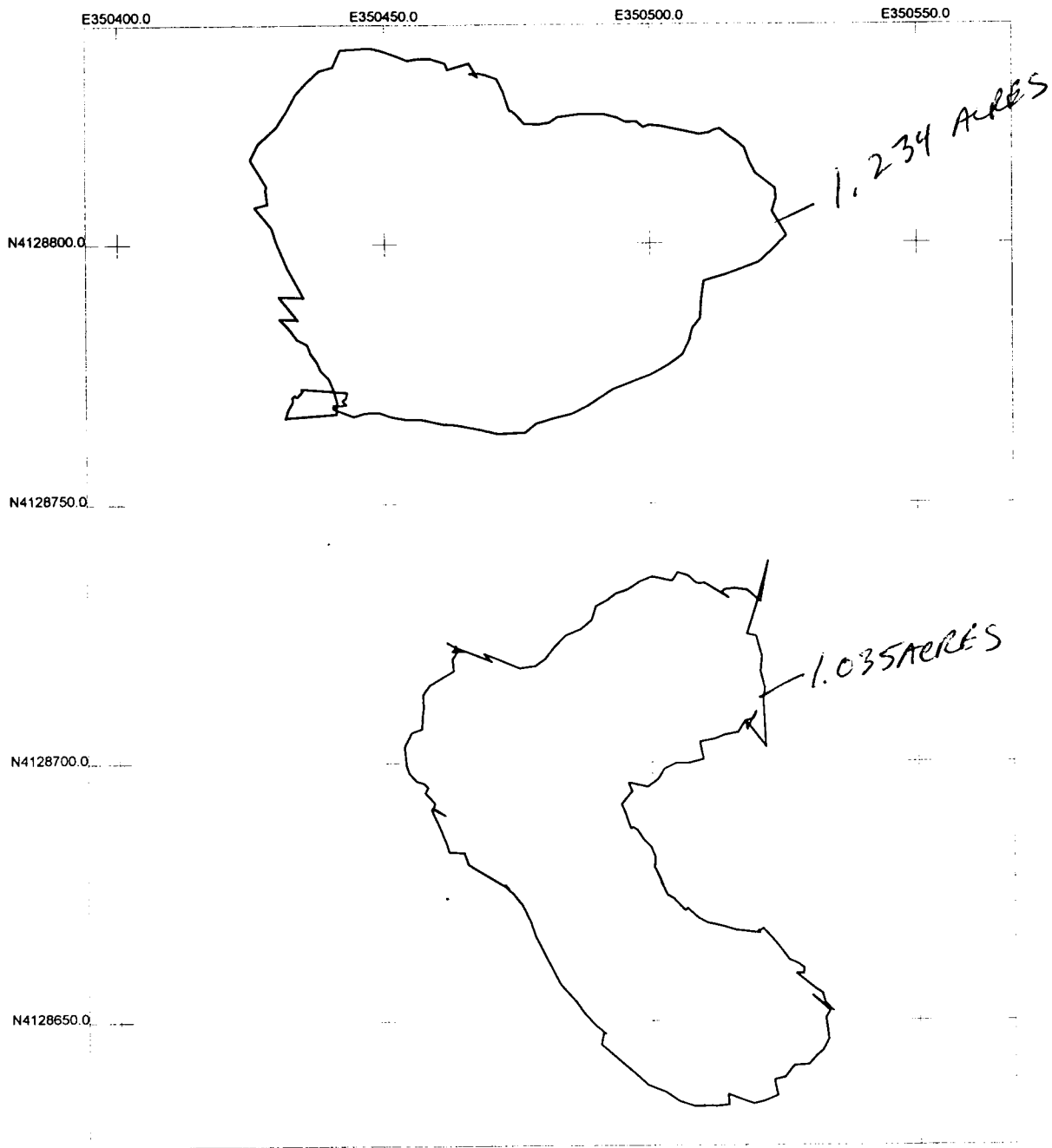


r061319b.cor

06/16/2000

Pathfinder Office

 **Trimble**



ml26996a

Universal Transverse Mercator
12 North
NAD 1927 (Western US)

N



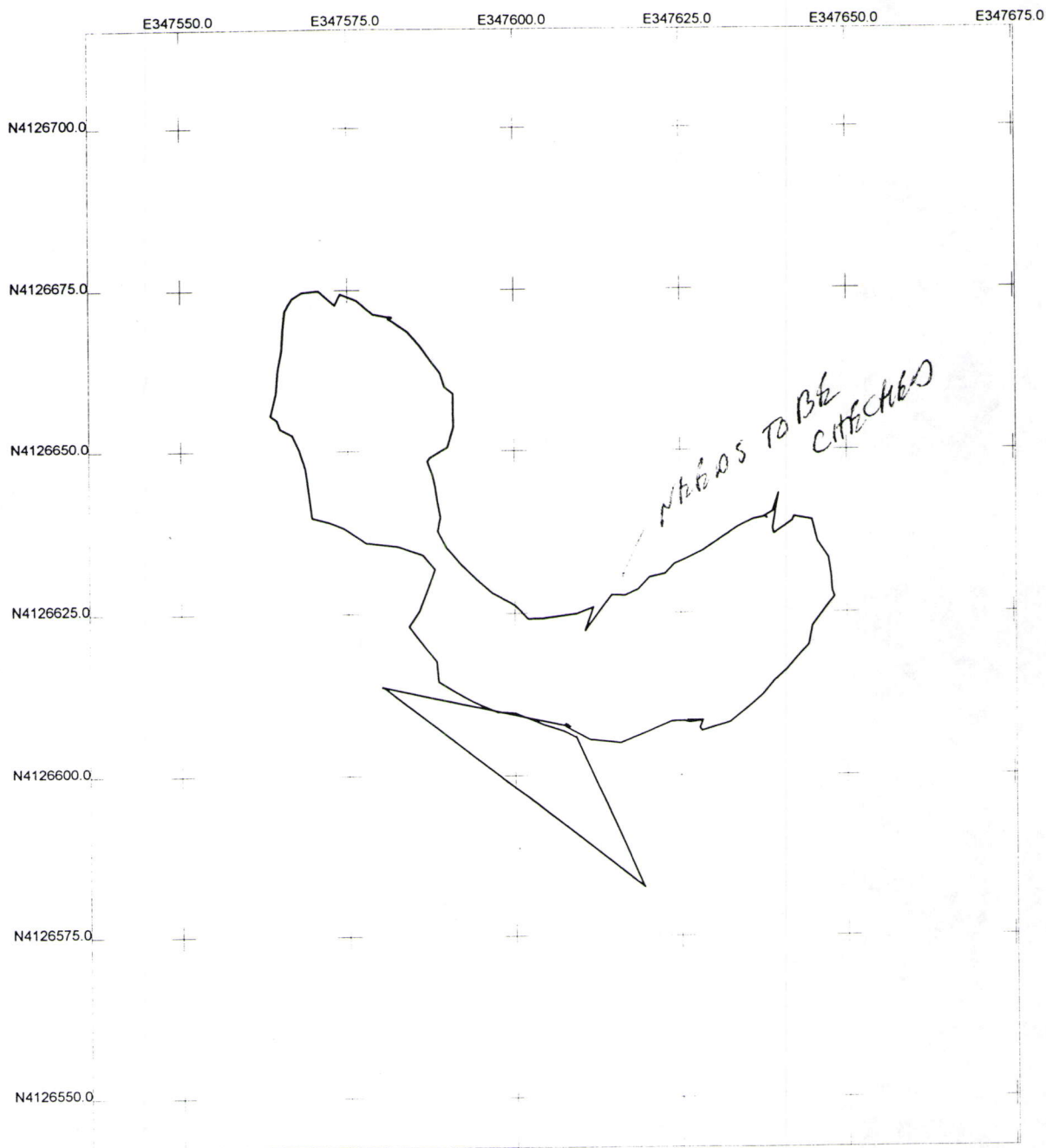
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r061322a.cor

06/16/2000

Pathfinder Office

 **Trimble**



ml41354a

Universal Transverse Mercator
12 North
NAD 1927 (Western US)

N

Scale 1:1000

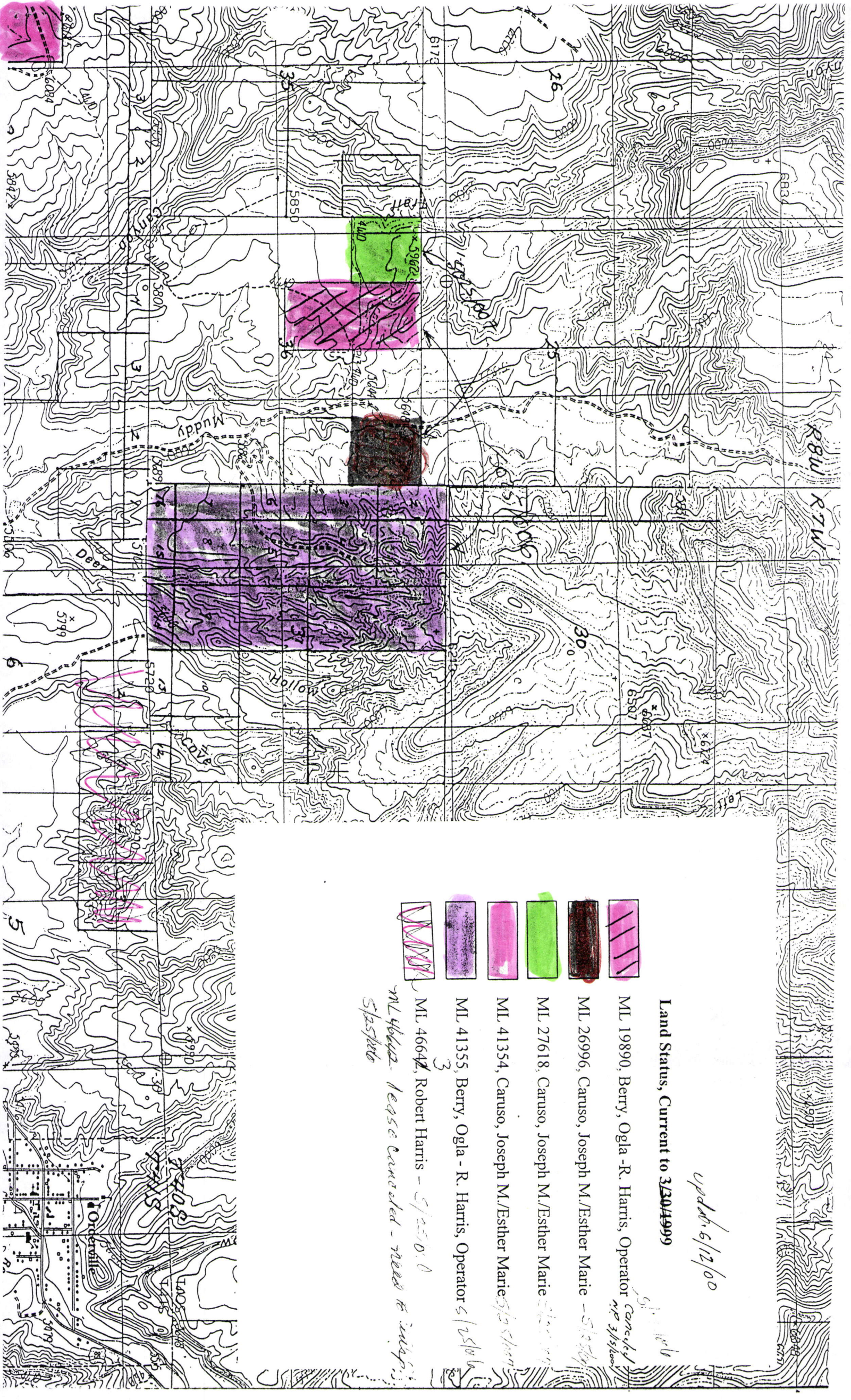


r061416a.cor

06/16/2000







Pathfinder Office

 **Trimble**



update 6/12/00

Land Status, Current to 3/30/1999

-  ML 19890, Berry, Ogla - R. Harris, Operator *5/1/00 canceled NP 3/3/00*
 -  ML 26996, Caruso, Joseph M./Esther Marie - 5/1/00
 -  ML 27618, Caruso, Joseph M./Esther Marie
 -  ML 41354, Caruso, Joseph M./Esther Marie 5/1/00
 -  ML 41355, Berry, Ogla - R. Harris, Operator 5/1/00
 -  ML 46642, Robert Harris - 5/1/00
- ML 46642 - lease canceled - need to map
5/1/00